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United States Senate

WASHINGTON, DC 20510

APR 15 2003

Federal Communications Commission
Office of the Secretary

Confirmed

March 31, 2003

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Distribution Center

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

EX PARTE OR LATE FILED

Re: MM Docket No. 01-55
Rulemaking Number 10034

Dear Chairman Powell,

We are writing to request **your** assistance in **securing** prompt approval of a **May 9, 2000** digital channel change request (**MM Docket No. 01-55, RM 10034**) filed by the **Arkansas Educational Television Commission (AETN)** for **KAPT-DT**, serving **northwestern Arkansas**. We have been advised that approval of the request **will** save the **State of Arkansas** at least \$5 million in **KAPT-DT** conversion costs, and that a **failure of** the Commission to **act** in the near term threatens AETN's ability to meet the May 2003 activation deadline for **KAPT-DT**. We also have been informed that, regardless of whether **KAPT-DT** is activated on its current **Channel 45** DT allocation or its requested **Channel 9** DT allocation, the activation of **KAPT-DT** will require a **new channel** be assigned to either low power station **Channel K45EI (Bentonville/Rogers)**, licensed to Victory Communications, or **Channel K09XE (Winslow)**, licensed to Equity Broadcasting.

AETN calculates that it would cost \$5 million less to activate **KAPT-DT** on **Channel 9** because a:

1. Channel 45 transmitter is nearly **eight times more** expensive than a Channel 9 transmitter;
2. Channel 45 antenna is nearly twice the cost of a Channel 9 antenna; and
3. Channel 45 ~~ant~~ requires a **new** tower and related equipment, adding at least **\$2.5 million** to the cost of activation.

The State of **Arkansas** has provided \$13.4 million in **appropriated funds** for the activation of AETN's **five** digital stations. This amount has been **matched** by \$1.4 million in federal grants. In the current difficult economic environment, a \$5 million saving in the expenditure of public funds to **meet** the **federal** digital transition mandate is a matter of great significance to the State of **Arkansas**. Beyond the public economic benefits, we also understand that **approval** of the **KAPT-DT** channel change **will** benefit the Victory and Equity low-power television stations. We have been advised that **an engineering study** provided by AETN to the Commission

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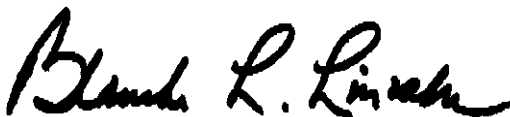
demonstrated that relocating Equity Broadcasting from Channel 9 to Channel 32 would provide a greater coverage area for that low power station and, thus, more viewers. It also would save Victory Communications the expense of a channel change for its low power station. The State of Arkansas has authorized AETN to reimburse Equity the \$130,000 required for it to move to Channel 32. In other words, the State can realize at least \$5 million savings for a small investment of \$130,000.

We have been informed that AETN has made numerous attempts over the past year to reach a negotiated three-way channel swap agreement with Victory Communications and Equity Broadcasting, and believed that it had secured the consent of Equity. Under the plan, KART-DT would move to Channel 9, Victory would remain on Channel 45 and Equity would relocate, at AETN's expense, to Channel 32. We have been told that while Victory is in full agreement with the proposal, negotiations with Equity are now at a stalemate.

With the May 2003 deadline for AETN to complete the digital transition of KART-DT rapidly approaching, prompt approval of AETN's channel change is critical. AETN's ability to provide all of the people of Arkansas with the full array of public television's new generation of educational and cultural services and to meet the federal digital conversion deadline hinges on the timely approval of the KART-DT channel change request. We strongly support AETN's position because it will best serve the interests of the people of Arkansas. Therefore, we ask for your intervention to see that the Commission promptly approves the KART-DT channel change request notwithstanding Equity Broadcasting's objection.

Please keep us advised of the Commission's actions on the AETN request. Thank you for your assistance.

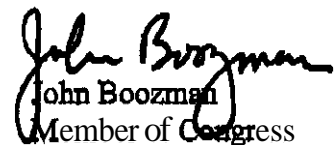
Sincerely,



Blanche L. Lincoln
U.S. Senator



Mark L. Pryor
U.S. Senator



John Boozman
Member of Congress

cc: Commissioner Kathleen Q. Abemathy
Commissioner Michael J. Copps
Commissioner Kevin J. Martin
Commissioner Jonathan S. Adelstein
W. Kenneth Ferree

cc: Peter Tannenwald, Esq. (FCC Counsel for Equity Broadcasting)
Margaret Miller, Esq. (FCC Counsel for AETN)